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**MICHIGAN DEPARTMENT OF COMMUNITY HEALTH**

**CERTIFICATE OF NEED (CON) REVIEW STANDARDS FOR HOSPITAL BEDS**

(By authority conferred on the Certificate of Need CON Commission by sections 22215 and 22217 of Act No. 368 of the Public Acts of 1978, as amended, and sections 7 and 8 of Act No. 306 of the Public Acts of 1969, as amended, being sections 333.22215, 333.22217, 24.207, and 24.208 of the Michigan Compiled Laws.)

**Section 1. Applicability**

Sec. 1. (1) These standards are requirements for approval and delivery of services for all projects approved and certificates of need issued under Part 222 of the Code that involve (a) increasing licensed beds in a hospital licensed under Part 215 or (b) physically relocating hospital beds from one licensed site to another geographic location or (c) replacing beds in a hospital or (d) acquiring a hospital or (e) beginning operation of a new hospital.

(2) A hospital licensed under Part 215 is a covered health facility for purposes of Part 222 of the Code.

(3) An increase in licensed hospital beds is a change in bed capacity for purposes of Part 222 of the Code.

(4) The physical relocation of hospital beds from a licensed site to another geographic location is a change in bed capacity for purposes of Part 222 of the Code.

(5) An increase in hospital beds certified for long-term care is a change in bed capacity for purposes of Part 222 of the Code and shall be subject to and reviewed under the Certificate of Need CON Review Standards for Long-Term-Care Services.

(6) The Department shall use sections 3, 4, 5, 6, 7, 8, 10, and 15 of these standards and Section 2 of the Addendum for Projects for HIV Infected Individuals, as applicable, in applying Section 22225(1) of the Code, being Section 333.22225(1) of the Michigan Compiled Laws.

(7) The Department shall use Section 9 of these standards and Section 3 of the Addendum for Projects for HIV Infected Individuals, as applicable, in applying Section 22225(2)(c) of the Code, being Section 333.22225(2)(c) of the Michigan Compiled Laws.

**Section 2. Definitions**

Sec. 2. (1) As used in these standards:

(a) "Acquiring a hospital" means the issuance of a new hospital license as the result of the acquisition (including purchase, lease, donation, or other comparable arrangements) of a hospital with a valid license and which does not involve a change in bed capacity.

(b) "Alcohol and substance abuse hospital," for purposes of these standards, means a licensed hospital within a long-term (acute) care hospital that exclusively provides inpatient medical detoxification and medical stabilization and related outpatient services for persons who have a primary diagnosis of substance dependence covered by DRGs 433 - 437.

(c) "Base year" means the most recent year that final MIDB data is available to the Department unless a different year is determined to be more appropriate by the Commission.

(D) "CERTIFICATE OF NEED COMMISSION" OR "COMMISSION MEANS THE COMMISSION CREATED PURSUANT TO SECTION 22211 OF THE CODE, BEING SECTION 333.22211 OF THE MICHIGAN COMPILED LAWS.

(E) "Code" means Act No. 368 of the Public Acts of 1978, as amended, being Section 333.1101 et seq. of the Michigan Compiled Laws.

(F) "DEPARTMENT" MEANS THE MICHIGAN DEPARTMENT OF COMMUNITY HEALTH (MDCH).

(eG) "Department inventory of beds" means the current list maintained for each hospital subarea on a continuing basis by the Department of (i) licensed hospital beds and (ii) hospital beds approved by a valid ~~certificate of need~~ CON issued under either Part 221 or Part 222 of the Code that are not yet licensed. The term does not include hospital beds certified for long-term-care in hospital long-term care units.

(fH) "Discharge relevance factor" (%R) means a mathematical computation where the numerator is the inpatient hospital discharges from a specific zip code for a specified hospital subarea and the denominator is the inpatient hospital discharges for any hospital from that same specific zip code.

(gl) "Existing hospital beds" means, for a specific hospital subarea, the total of all of the following: (i) hospital beds licensed by the Department of Consumer & Industry Services; (ii) hospital beds with valid ~~certificate of need~~ CON approval but not yet licensed; (iii) proposed hospital beds under appeal from a final decision of the Department; and (iv) proposed hospital beds that are part of a completed application under Part 222 (other than the application under review) for which a proposed decision has been issued and which is pending final Department decision.

(hJ) "Health service area" OR "HSA" means the groups of counties listed in section 16.

(iK) "Hospital bed" means a bed within the licensed bed complement at a licensed site of a hospital licensed under Part 215 of the Code, excluding (i) hospital beds certified for long-term care as defined in Section 20106(6) of the Code and (ii) unlicensed newborn bassinets.

(jL) "Hospital" means a hospital as defined in Section 20106(5) of the Code being Section 333.20106(5) of the Michigan Compiled Laws and licensed under Part 215 of the Code. The term does not include a hospital or hospital unit licensed or operated by the Department of Mental Health.

(kM) "Hospital long-term-care unit" or "HLTCU" means a nursing care unit, owned or operated by and as part of a hospital, licensed by the Department of Consumer & Industry Services, and providing organized nursing care and medical treatment to 7 or more unrelated individuals suffering or recovering from illness, injury, or infirmity.

(lN) "Hospital subarea" or "subarea" means a cluster or grouping of hospitals and the relevant portion of the state's population served by that cluster or grouping of hospitals. For purposes of these standards, hospital subareas and the hospitals assigned to each subarea are set forth in Appendix A.

(mQ) "Host hospital," for purposes of these standards, means an existing licensed hospital, which delicens hospital beds, and which leases patient care space and other space within the physical plant of the host hospital, to allow a long-term (acute) care hospital, or alcohol and substance abuse hospital, to begin operation.

(nP) "Licensed site" means either (i) in the case of a single site hospital, the location of the facility authorized by license and listed on that licensee's certificate of licensure or (ii) in the case of a hospital with multiple sites, the location of each separate and distinct inpatient unit of the health facility as authorized by license and listed on that licensee's certificate of licensure.

(oQ) "Long-term (acute) care hospital," for purposes of these standards, means a hospital has been approved to participate in the Title XVIII (Medicare) program as a prospective payment system (PPS) exempt hospital in accordance with 42 CFR Part 412.

(pR) "Market forecast factors" (%N) means a mathematical computation where the numerator is the number of total inpatient discharges indicated by the market survey forecasts and the denominator is the base year MIDB discharges.

(S) "MEDICAID" MEANS TITLE XIX OF THE SOCIAL SECURITY ACT, CHAPTER 531, 49 STAT. 620, 1396R-Y AND 1396R-8 TO 1396V.

(T) "METROPOLITAN STATISTICAL AREA COUNTY" MEANS A COUNTY LOCATED IN A METROPOLITAN STATISTICAL AREA AS THAT TERM IS DEFINED UNDER THE "STANDARDS FOR DEFINING METROPOLITAN AND MICROPOLITAN STATISTICAL AREAS" BY THE STATISTICAL POLICY OFFICE OF THE OFFICE OF INFORMATION AND REGULATORY AFFAIRS OF THE UNITED STATES OFFICE OF MANAGEMENT AND BUDGET, 65 F.R. P. 82238 (DECEMBER 27, 200) AND AS SHOWN IN APPENDIX B.

(qU) "Michigan Inpatient Data Base" or "MIDB" means the data base compiled by the Michigan Health and Hospital Association or successor organization. The data base consists of inpatient discharge records from all Michigan hospitals and Michigan residents discharged from hospitals in border states for a specific calendar year.

(V) "MICROPOLITAN STATISTICAL AREA COUNTY" MEANS A COUNTY LOCATED IN A MICROPOLITAN STATISTICAL AREA AS THAT TERM IS DEFINED UNDER THE "STANDARDS FOR

DEFINING METROPOLITAN AND MICROPOLITAN STATISTICAL AREAS" BY THE STATISTICAL POLICY OFFICE OF THE OFFICE OF INFORMATION AND REGULATORY AFFAIRS OF THE UNITED STATES OFFICE OF MANAGEMENT AND BUDGET, 65 F.R. P. 82238 (DECEMBER 27, 2000) AND AS SHOWN IN APPENDIX B.

(fW) "New beds in a hospital" means hospital beds that meet at least one of the following: (i) are not currently licensed as hospital beds, (ii) are currently licensed hospital beds at a licensed site in one subarea which are proposed for relocation in a different subarea as determined by the Department pursuant to Section 3 of these standards, (iii) are currently licensed hospital beds at a licensed site in one subarea which are proposed for relocation to another geographic site which is in the same subarea as determined by the Department, but which are not in the replacement zone, or (iv) are currently licensed hospital beds that are proposed to be licensed as part of a new hospital in accordance with Section 6(2) of these standards.

(sX) "New hospital" means one of the following: (i) the establishment of a new facility that shall be issued a new hospital license, (ii) for currently licensed beds, the establishment of a new licensed site that is not in the same hospital subarea as the currently licensed beds, (iii) currently licensed hospital beds at a licensed site in one subarea which are proposed for relocation to another geographic site which is in the same subarea as determined by the Department, but which are not in the replacement zone, or (iv) currently licensed hospital beds that are proposed to be licensed as part of a new hospital in accordance with section 6(2) of these standards.

(tY) "Overbedded subarea" means a hospital subarea in which the total number of existing hospital beds in that subarea exceeds the subarea needed hospital bed supply as set forth in Appendix C.

(uZ) "Planning year" means five years beyond the base year, established by the Certificate of Need CON Commission, for which hospital bed need is developed, unless a different year is determined to be more appropriate by the Commission.

(vAA) "Relevance index" or "market share factor" (%Z) means a mathematical computation where the numerator is the number of inpatient hospital patient days provided by a specified hospital subarea from a specific zip code and the denominator is the total number of inpatient hospital patient days provided by all hospitals to that specific zip code using MIDB data.

(wBB) "Relocate existing licensed hospital beds" for purposes of Section 8 of these standards, means a change in the location of existing hospital beds from the existing licensed hospital site to a different existing licensed hospital site within the same hospital subarea. This definition does not apply to projects involving replacement beds in a hospital governed by Section 7 of these standards.

(xCC) "Replacement beds in a hospital" means hospital beds that meet all of the following conditions; (i) an equal or greater number of hospital beds are currently licensed to the applicant at the licensed site at which the proposed replacement beds are currently licensed; (ii) the hospital beds are proposed for replacement in new physical plant space being developed in new construction or in newly acquired space (purchase, lease, donation, etc.); and (iii) the hospital beds to be replaced will be located in the replacement zone.

(yDD) "Replacement zone" means a proposed licensed site that is (i) in the same subarea as the existing licensed site as determined by the Department in accord with Section 3 of these standards and (ii) on the same site, on a contiguous site, or on a site within 2 miles of the existing licensed site if the existing licensed site is located in a county with a population of 200,000 or more, OR on a site within 5 miles of the existing licensed site if the existing licensed site is located in a county with a population of less than 200,000, ~~or on a site within 10 miles of the existing licensed site if the applicant meets the requirements of Section 7(4) of these standards.~~

(zEE) "Rural county" means a county ~~in Michigan that is not within~~ LOCATED IN a Consolidated Metropolitan Statistical Area (CMSA), Primary Metropolitan Statistical Area (PMSA), or Metropolitan Statistical Area (MSA) as THOSE TERMS ARE defined by the UNDER THE "STANDARDS FOR DEFINING METROPOLITAN AND MICROPOLITAN STATISTICAL AREAS" BY THE STATISTICAL POLICY OFFICE OF THE OFFICE OF INFORMATION AND REGULATORY AFFAIRS OF THE UNITED STATES OFFICE OF MANAGEMENT AND BUDGET ~~Department of Commerce, Bureau of Census, 65 F.R. P. 82238 (DECEMBER 27, 2000)~~ and as shown in Appendix B.

(aaFE) "Utilization rate" or "use rate" means the number of days of inpatient care per 1,000 population during a one-year period.

(bbFE) "Zip code population" means the latest population estimates for the base year and projections for the planning year, by zip code.

(2) The definitions in Part 222 shall apply to these standards.

### Section 3. Hospital subareas

Sec. 3. (1)(a) Each existing hospital is assigned to a hospital subarea as set forth in Appendix A which is incorporated as part of these standards, until Appendix A is revised pursuant to this subsection.

(i) These hospital subareas, and the assignments of hospitals to subareas, shall be updated, at the direction of the Commission, starting in ~~may~~ May 2003, to be completed no later than November 2003. Thereafter, at the direction of the Commission, the updates shall occur no later than two years after the official date of the federal decennial census, provided that:

(A) Population data at the federal zip code level, derived from the federal decennial census, are available; and final MIDB data are available to the Department for that same census year.

(b) For an application involving a proposed new licensed site for a hospital (whether new or replacement), the proposed new licensed site shall be assigned to an existing hospital subarea utilizing a market survey conducted by the applicant and submitted with the application. The market survey shall provide, at a minimum, forecasts of the number of inpatient discharges for each zip code that the proposed new licensed site shall provide service. The forecasted numbers must be for the same year as the base year MIDB data. The market survey shall be completed by the applicant using accepted standard statistical methods. THE MARKET SURVEY MUST BE SUBMITTED ON A COMPUTER MEDIA AND IN A FORMAT SPECIFIED BY THE DEPARTMENT. The market survey, if determined by the Department to be reasonable pursuant to Section 14, shall be used by the Department to assign the proposed new site to an existing subarea BASED ON THE METHODOLOGY DESCRIBED BY "THE SPECIFICATION OF HOSPITAL SERVICE COMMUNITIES IN A LARGE METROPOLITAN AREA" BY J. WILLIAM THOMAS, PH.D., JOHN R. GRIFFITH, AND PAUL DURANCE, APRIL 1979 as follows:

(i) For the proposed new site, a ~~market forecast~~ DISCHARGE RELEVANCE factor for each of the zip codes identified in the application will be computed. Zip codes with a market forecast factor of less than .05 will be deleted from consideration.

(ii) The base year MIDB data will be used to compute discharge relevance factors (%Rs) for each hospital subarea for each of the zip codes identified in step (i) above. Hospital subareas with a %R of less than .105 for all zip codes identified in step (i) will be deleted from the computation.

~~(iii) For each of the zip codes identified in step (i), compare %Rs among subareas identified in step (ii). The hospital subarea with the largest %R will have the entire zip code assigned to that subarea.~~

~~—(iv) The base year total zip code population allocations corresponding to the assignments in step (iii) to a specific hospital subarea are multiplied by the %N calculated in step (i) for that zip code. The results of all multiplications within a hospital subarea are added together to obtain a subarea total.~~

~~—(v) The hospital subarea with the largest total calculated in step (iv) shall have the proposed new licensed site assigned to that subarea.~~ THE THIRD STEP IN THE METHODOLOGY IS TO CALCULATE A POPULATION-WEIGHTED AVERAGE DISCHARGE RELEVANCE FACTOR  $\bar{R}_j$  FOR THE PROPOSED HOSPITAL AND EXISTING SUBAREAS. LETTING:

$P_i$  = POPULATION OF ZIP CODE  $i$ .

$d_{ij}$  = NUMBER OF PATIENTS FROM ZIP CODE  $i$  TREATED AT HOSPITAL  $j$ .

$D_i = \sum_j d_{ij}$  = TOTAL PATIENTS FROM ZIP CODE  $i$ .

$I_j = \{i | (d_{ij}/D_i) \geq \alpha\}$ , SET OF ZIP CODES FOR WHICH THE INDIVIDUAL RELEVANCE FACTOR [%R FROM (I) AND (II) ABOVE] VALUES  $(d_{ij}/D_i)$  OF HOSPITAL  $j$  EXCEEDS OR EQUALS  $\alpha$ , WHERE  $\alpha$  IS SPECIFIED  $0 \leq \alpha \leq 1$ .

$$\bar{R}_j = \frac{\sum_{i \in I_j} P_i (d_{ij}/D_i)}{\sum_{i \in I_j} P_i}$$

(IV) AFTER  $\bar{R}_j$  IS CALCULATED FOR THE APPLICANT(S) AND THE INCLUDED EXISTING SUBAREAS, THE HOSPITAL/SUBAREA WITH THE SMALLEST  $\bar{R}_j$ ,  $\bar{R}_j$  IS GROUPED WITH THE HOSPITAL/SUBAREA HAVING THE GREATEST INDIVIDUAL DISCHARGE RELEVANCE FACTOR IN THE  $\bar{R}_j$ 'S HOME ZIP CODE.  $\bar{R}_j$ 'S HOME ZIP CODE IS DEFINED AS THE ZIP CODE FROM  $\bar{R}_j$ 'S WITH THE GREATEST DISCHARGE RELEVANCE FACTOR.

(V) IF THERE IS ONLY A SINGLE APPLICANT, THEN THE ASSIGNMENT PROCEDURE IS COMPLETE. IF THERE ARE ADDITIONAL APPLICANTS, THEN STEPS (III), AND (IV) MUST BE REPEATED UNTIL ALL APPLICANTS HAVE BEEN ASSIGNED TO AN EXISTING SUBAREA.

(2) The Commission shall amend Appendix A to reflect: (a) approved new licensed site(s) assigned to a specific hospital subarea; (b) hospital closures; and (c) licensure action(s) as appropriate.

(3) As directed by the Commission, new sub-area assignments established according to subsection (1)(a)(i) shall supersede Appendix A and shall be included as an amended appendix to these standards effective on the date determined by the Commission.

#### **Section 4. Determination of the needed hospital bed supply**

Sec. 4. (1) The determination of the needed hospital bed supply for a hospital subarea for a planning year shall be made using the MIDB and population estimates and projections by zip code in the following methodology:

(a) All hospital discharges for normal newborns (DRG 391) and psychiatric patients (ICD-9-CM codes 290 through 319 as a principal diagnosis) will be excluded.

(b) ~~THE statewide patient day use rates for~~ FOR EACH HOSPITAL SUBAREA, CALCULATE THE NUMBER OF PATIENT DAYS (TAKE THE PATIENT DAYS FOR EACH DISCHARGE AND ACCUMULATE IT WITHIN THE RESPECTIVE AGE GROUP) FOR THE FOLLOWING AGE GROUPS: ages 0 (excluding normal newborns) through 14 (pediatric), ages 15 through 64, FEMALE AGES 15 THROUGH 44 (DRGS 370 THROUGH 375 – OBSTETRICAL DISCHARGES), AGES 45 THROUGH 64, ages 65 through 74, and AGES 75 and older ~~are calculated using the base year MIDB data. DATA FROM NON-MICHIGAN RESIDENTS ARE TO BE INCLUDED FOR EACH SPECIFIC AGE GROUP. DATA FROM NON-MICHIGAN RESIDENTS ARE TO BE INCLUDED FOR EACH SPECIFIC AGE GROUP.~~

(c) For each hospital subarea, calculate the relevance index (%Z) for each zip code and ~~FOR each OF THE FOLLOWING age groupgroups: used by the subarea~~ AGES 0 (EXCLUDING NORMAL NEWBORNS) THROUGH 14 (PEDIATRIC), AGES 15 THROUGH 44, FEMALE AGES 15 THROUGH 44 (DRGS 370 THROUGH 375 – OBSTETRICAL DISCHARGES), AGES 45 THROUGH 64, AGES 65 THROUGH 74, AND AGES 75 AND OLDER.

(d) For each hospital subarea, multiply each zip code %Z calculated in (c) by its respective base year zip code and age group specific year population. The result will be the zip code allocations by age group for each subarea.

(e) For each hospital subarea, calculate the subarea base year population by age group by adding together all zip code population allocations calculated in (d) for each specific age group in that subarea. The result will be ~~four SIX~~ population age groups for each ~~zip code in the~~ subarea.

(f) For each hospital subarea, calculate the patient day use rates for ages 0 (excluding normal newborns) through 14 (pediatric), ages 15 through 64, FEMALE AGES 15 THROUGH 44 (DRGS 370 THROUGH 375 – OBSTETRICAL DISCHARGES), AGES 45 THROUGH 64, ages 65 through 74, and ages 75 and older by ~~using DIVIDING THE~~ results of (B) BY the ~~calculations RESULTS in OF~~ (e). ~~Data from non-Michigan residents are to be included for each specific age group.~~

(g) ~~For each hospital subarea, compare the use rates calculated in (e) with (b). For each age group, use the lesser of the statewide rate or the subarea specific rate.~~

~~(h)~~ For each hospital subarea, multiply each zip code %Z calculated in (c) by its respective planning year zip code and age group specific year population. The results will be the projected zip code allocations by age group for each subarea.

(H) For each hospital subarea, calculate the subarea projected year population by age group by adding



267 together all projected zip code population allocations calculated in (hG) for each specific age group. The  
268 result will be ~~four-SIX~~ population age groups for each ~~zip code in the~~ subarea.

269 (jI) For each hospital subarea, calculate the subarea projected patient days for each age group by  
270 multiplying the ~~four-SIX~~ projected populations by age group calculated in step (iH) by the age specific use  
271 rates identified in step (gE).

272 (kJ) For each hospital subarea, calculate the ~~total-ADULT MEDICAL/SURGICAL~~ subarea projected patient  
273 days by adding together ~~each-THE FOLLOWING~~ age group specific projected patient days calculated in (jI):  
274 AGES 15 THROUGH 44, AGES 45 THROUGH 64, AGES 65 THROUGH 74, AND AGES 75 AND OLDER.  
275 THE 0 (EXCLUDING NORMAL NEWBORNS) THROUGH 14 (PEDIATRIC) AND FEMALE AGES 15  
276 THROUGH 44 (DRGS 370 THROUGH 375 – OBSTETRICAL DISCHARGES) AGE GROUPS REMAIN  
277 UNCHANGED AS CALCULATED IN (I).

278 (kK) For each hospital subarea, calculate the subarea projected average daily census (ADC) FOR THREE  
279 AGE GROUPS: AGES 0 (EXCLUDING NORMAL NEWBORNS) THROUGH 14 (PEDIATRIC), FEMALE  
280 AGES 15 THROUGH 44 (DRGS 370 THROUGH 375 – OBSTETRICAL DISCHARGES), AND ADULT  
281 MEDICAL SURGICAL by dividing the results calculated in (kJ) by 365 (or 366 if the planning year is a leap  
282 year). ROUND EACH ADC TO A WHOLE NUMBER. THIS WILL GIVE THREE ADC COMPUTATIONS PER  
283 SUBAREA.

284 (mL) For each hospital subarea AND AGE GROUP, select the appropriate subarea occupancy rate from  
285 the occupancy rate table in Appendix D.

286 (nM) For each hospital subarea AND AGE GROUP, calculate the subarea projected bed need number of  
287 hospital beds for the subarea by AGE GROUP BY dividing the ADC calculated in (kK) by the appropriate  
288 occupancy rate determined in (mL). TO OBTAIN THE TOTAL HOSPITAL BED NEED, ADD THE THREE  
289 AGE GROUP BED PROJECTIONS TOGETHER. Round any part of a bed up to a whole bed.

## 291 Section 5. Bed Need

293 Sec. 5. (1) The bed-need numbers incorporated as part of these standards as Appendix C shall apply to  
294 projects subject to review under these standards, except where a specific ~~certificate of need~~ CON review  
295 standard states otherwise.

297 (2) The Commission shall direct the Department, effective November 2004 and every two years  
298 thereafter, to re-calculate the acute care bed need methodology in Section 4, within a specified time frame.

300 (3) The Commission shall designate the base year and the future planning year which shall be utilized in  
301 applying the methodology pursuant to subsection (2).

303 (4) When the Department is directed by the Commission to apply the methodology pursuant to subsection  
304 (2), the effective date of the bed-need numbers shall be established by the Commission.

306 (5) As directed by the Commission, new bed-need numbers established by subsections (2) and (3) shall  
307 supersede the bed-need numbers shown in Appendix C and shall be included as an amended appendix to  
308 these standards.

## 310 Section 6. Requirements for approval -- new beds in a hospital

312 Sec. 6. (1) An applicant proposing new beds in a hospital, except an applicant meeting the requirements of  
313 subsection 2, 3, or 4, shall demonstrate that it meets all of the following:

314 (a) The new beds in a hospital shall result in a hospital of at least 200 beds in a ~~non-~~  
315 rural-METROPOLITAN STATISTICAL AREA county or 50 beds in a rural OR MICROPOLITAN STATISTICAL  
316 AREA county. This subsection may be waived by the Department if the Department determines, in its sole  
317 discretion, that a smaller hospital is necessary or appropriate to assure access to health-care services.

318 (b) The total number of existing hospital beds in the subarea to which the new beds will be assigned does  
319 not currently exceed the needed hospital bed supply as set forth in Appendix C. The Department shall  
320 determine the subarea to which the beds will be assigned in accord with Section 3 of these standards.

321 (c) Approval of the proposed new beds in a hospital shall not result in the total number of existing hospital

beds, in the subarea to which the new beds will be assigned, exceeding the needed hospital bed supply as set forth in Appendix C. The Department shall determine the subarea to which the beds will be assigned in accord with Section 3 of these standards.

(2) An applicant proposing to begin operation as a new long-term (acute) care hospital or alcohol and substance abuse hospital within an existing licensed, host hospital shall demonstrate that it meets all of the requirements of this subsection:

(a) If the long-term (acute) care hospital applicant described in this subsection does not meet the Title XVIII requirements of the Social Security Act for exemption from PPS as a long-term (acute) care hospital within 12 months after beginning operation, then it may apply for a six-month extension in accordance with R325.9403 of the ~~certificate of need~~CON rules. If the applicant fails to meet the Title XVIII requirements for PPS exemption as a long-term (acute) care hospital within the 12 or 18-month period, then the ~~certificate of need~~CON granted pursuant to this section shall expire automatically.

(b) The patient care space and other space to establish the new hospital is being obtained through a lease arrangement between the applicant and the host hospital. The initial, renewed, or any subsequent lease shall specify at least all of the following:

(i) That the host hospital shall delicense the same number of hospital beds proposed by the applicant for licensure in the new hospital.

(ii) That the proposed new beds shall be for use in space currently licensed as part of the host hospital.

(iii) That upon non-renewal and/or termination of the lease, upon termination of the license issued under Part 215 of the act to the applicant for the new hospital, or upon noncompliance with the project delivery requirements or any other applicable requirements of these standards, the beds licensed as part of the new hospital must be disposed of by one of the following means:

(A) Relicensure of the beds to the host hospital. The host hospital must obtain a ~~certificate of need~~CON to acquire the long-term (acute) care hospital. In the event that the host hospital applies for a ~~certificate of need~~CON to acquire the long-term (acute) care hospital [including the beds leased by the host hospital to the long-term (acute) care hospital] within six months following the termination of the lease with the long-term (acute) care hospital, it shall not be required to be in compliance with the hospital bed supply set forth in Appendix C if the host hospital proposes to add the beds of the long-term (acute) care hospital to the host hospital's medical/surgical licensed capacity and the application meets all other applicable project delivery requirements. The beds must be used for general medical/surgical purposes. Such an application shall not be subject to comparative review and shall be processed under the procedures for non-substantive review (as this will not be considered an increase in the number of beds originally licensed to the applicant at the host hospital);

(B) Delicensure of the hospital beds; or

(C) Acquisition by another entity that obtains a ~~certificate of need~~CON to acquire the new hospital in its entirety and that entity must meet and shall stipulate to the requirements specified in Section 6(2).

(c) The applicant or the current licensee of the new hospital shall not apply, initially or subsequently, for ~~certificate of need~~CON approval to initiate any other ~~certificate of need~~CON covered clinical services; provided, however, that this section is not intended, and shall not be construed in a manner which would prevent the licensee from contracting and/or billing for medically necessary covered clinical services required by its patients under arrangements with its host hospital or any other ~~certificate of need~~CON approved provider of covered clinical services.

(d) The new licensed hospital shall remain within the host hospital.

(e) The new hospital shall be assigned to the same subarea as the host hospital.

(f) The proposed project to begin operation of a new hospital, under this subsection, shall constitute a change in bed capacity under Section 1(3) of these standards.

(g) The lease will not result in an increase in the number of licensed hospital beds in the subarea.

(h) Applications proposing a new hospital under this subsection shall not be subject to comparative review.

(3) An applicant proposing to add new hospital beds, as the receiving licensed hospital under Section 8, shall demonstrate that it meets all of the requirements of this subsection and shall not be required to be in compliance with the needed hospital bed supply set forth in Appendix C if the application meets all other applicable ~~certificate of need~~CON review standards and agrees and assures to comply with all applicable

project delivery requirements.

(a) The approval of the proposed new hospital beds shall not result in an increase in the number of licensed hospital beds in the subarea.

(b) The proposed project to add new hospital beds, under this subsection, shall constitute a change in bed capacity under Section 1(3) of these standards.

(c) Applicants proposing to add new hospital beds under this subsection shall not be subject to comparative review.

(4) As a pilot program, an applicant may apply for the addition of new beds if all of the following subsections are met. Further, an applicant proposing new beds at an existing licensed hospital site shall not be required to be in compliance with the needed hospital bed supply set forth in Appendix C if the application meets all other applicable ~~certificate of need~~CON review standards and agrees and assures to comply with all applicable project delivery requirements.

(a) The beds are being added at the existing licensed hospital site.

(b) The hospital at the existing licensed hospital site has operated as follows for the previous, consecutive 12 months based on its existing licensed hospital bed capacity as documented on the most recent reports of the "Annual Hospital Statistical Questionnaire" or more current verifiable data:

Number of Licensed Hospital Beds	Average Occupancy
Fewer than 300	80% and above
300 or more	85% and above

(c) The number of beds that may be approved pursuant to this subsection shall be the number of beds necessary to reduce the occupancy rate for the hospital to 80 percent for hospitals with licensed beds of 300 or more and to 75 percent for hospitals with licensed beds of fewer than 300. The number of beds shall be calculated as follows:

(i) Divide the actual number of patient days of care provided during the most recent, consecutive 12-month period for which verifiable data are available to the department by .80 for hospitals with licensed beds of 300 or more and by .75 for hospitals with licensed beds of fewer than 300 to determine licensed bed days at 80 percent occupancy or 75 percent occupancy as applicable;

(ii) Divide the result of step (i) by 365 (or 366 for leap years) and round the result up to the next whole number;

(iii) Subtract the number of licensed beds as documented on the "Department Inventory of Beds" from the result of step (ii) and round the result up to the next whole number to determine the maximum number of beds that may be approved pursuant to this subsection.

(d) The provisions of Section 6(4) are part of a pilot program approved by the ~~Certificate Of Need~~CON Commission and shall expire and be of no further force and effect, and shall not be applicable to any application which has not been deemed complete in accordance with Rule 325.9201 prior to November 30, 2003. The Department shall report to the ~~Certificate Of Need~~CON Commission within 180 days following the expiration of Section 6(4) on the number of applications received and approved, the total capital expenditures approved, and the projected cost savings to be realized, if any.

(e) Applicants proposing to add new hospital beds under this subsection shall not be subject to comparative review.

## **Section 7. Requirements for approval -- replacement beds in a hospital in a replacement zone**

Sec. 7. (1) If the application involves the development of a new licensed site, an applicant proposing replacement beds in a hospital in the replacement zone shall demonstrate that the new beds in a hospital shall result in a hospital of at least 200 beds in a ~~non-rural~~METROPOLITAN STATISTICAL AREA county or 50 beds in a rural ~~OR MICRIOPOLITAN STATISTICAL AREA~~ county. This subsection may be waived by the Department if the Department determines, in its sole discretion, that a smaller hospital is necessary or appropriate to assure access to health-care services.

(2) In order to be approved, the applicant shall propose to (i) replace an equal or lesser number of beds currently licensed to the applicant at the licensed site at which the proposed replacement beds are located,



and (ii) that the proposed new licensed site is in the replacement zone.

(3) An applicant proposing replacement beds in the replacement zone shall not be required to be in compliance with the needed hospital bed supply set forth in Appendix C if the application meets all other applicable ~~certificate of need~~ CON review standards and agrees and assures to comply with all applicable project delivery requirements.

~~—(4) As a pilot program, in counties having a population of not less than 500,000 nor more than 750,000 persons, an applicant proposing to replace an existing licensed non-rural hospital beyond 2 miles but within:~~  
~~(a) the applicable replacement zone, (b) ten miles from the existing licensed hospital site, and (c) the same hospital subarea, shall demonstrate satisfactorily to the Department the following:~~

~~—(a) At least 45 percent of the land owned by the applicant on the perimeter of the existing licensed hospital site, or land adjacent to the existing licensed hospital site that may or may not be owned by the hospital, including land directly across a public street adjacent to the existing licensed hospital site if the perimeter of the hospital site is bound in part by the public street, cannot be used for general hospital purposes due to recorded restrictions on the hospital's use of that land. Such recorded restrictions shall have been in effect prior to January 1, 2000.~~

~~—(b) That it is unable to acquire land sufficient to replace the licensed hospital facility for any of the following reasons:~~

~~—(i) There is insufficient land available to purchase, for a replacement hospital, within a 2-mile radius of the existing licensed hospital site;~~

~~—(ii) Land within a 2-mile radius is inappropriate to build a licensed hospital upon, or~~

~~—(iii) It is prohibitively expensive (i.e., priced above fair market value) to purchase land within a 2-mile radius.~~

~~—(c) That access to health care for the indigent, lower income, and disadvantaged is assured through a combination of retained clinic services at or within two miles of the original site, with available public or facility provided transportation to the relocation site, or by other appropriate means.~~

~~—(d) Formal support for the replacement of the hospital is demonstrated by a resolution or letter of support of the elected governing body of the minor civil division (i.e., city, township, or incorporated village) in which the major portion of the current licensed hospital site is located.~~

~~—(e) A clear and convincing showing of the need for replacement of the hospital must be demonstrated by the applicant and approved by the Department. For example:~~

~~—(i) significant improvements in the efficiency, safety, and/or quality of health care delivery;~~

~~—(ii) hospital is obsolete;~~

~~—(iii) building code violations cannot be remedied without new construction;~~

~~—(iv) inability to accommodate new equipment;~~

~~—(v) deficiencies cannot be remedied by repairs or replacement on the existing site.~~

~~—(f) Quality of care will be maintained, if not enhanced, as a result of the relocation, through a resolution by the governing board of the applicant.~~

~~—(g) Commitment to continuing compliance with applicable licensing and certification requirements.~~

~~—(h) The hospital has an annual licensed hospital bed occupancy rate of at least 45% according to the Department's most recently completed report(s) of the "Annual Hospital Statistical Questionnaire" or more recent data supplied by the applicant and acceptable to the Department.~~

~~—(5) The replacement zone as defined in Section 2(1)(x) and as applied to Section 7(4) shall supercede the relocation zone or replacement zone, as applicable, as identified in the certificate of need standards for covered clinical services when applied in conjunction with Section 7(4) of these standards.~~

~~—(6) The provisions of Section 7(4) are part of a pilot program approved by the Certificate of Need Commission and shall expire and be of no further force and effect, and shall not be applicable to any application which has not been deemed complete in accordance with Rule 325.9201 prior to December 31, 2002. The Department shall report to the Certificate of Need Commission within 180 days following the expiration of Section 7(4) on the number of applications received and approved, the total capital expenditures approved, and the projected cost savings to be realized, if any.~~

484 **Section 8. Requirements for approval of an applicant proposing to relocate existing licensed hospital**  
485 **beds**

486  
487 Sec 8. (1) The proposed project to relocate beds, under this section, shall constitute a change in bed  
488 capacity under Section 1(4) of these standards.

489  
490 (2) any existing licensed acute care hospital may relocate all or a portion of its beds to another existing  
491 licensed acute care hospital located within the same subarea according to the provisions in this section.

492  
493 (3) the hospital from which the beds are being relocated, and the hospital receiving the beds, shall not  
494 require any ownership relationship.

495  
496 (4) the relocated beds shall continue to be counted in the inventory for the subarea but licensed to the  
497 recipient hospital.

498  
499 (5) the relocation of beds from any other licensed acute care hospital within the subarea to any licensed  
500 acute care hospital within the subarea, shall not be subject to a mileage limitation.

501  
502 **Section 9. Project delivery requirements -- terms of approval for all applicants**

503  
504 Sec. 9. (1) An applicant shall agree that, if approved, the project shall be delivered in compliance with the  
505 following terms of ~~certificate of need~~CON approval:

506 (a) Compliance with these standards

507 (b) Compliance with applicable operating standards

508 (c) Compliance with the following quality assurance standards:

509 (i) The applicant shall provide the Department with a notice stating the date the hospital beds are placed  
510 in operation and such notice shall be submitted to the Department consistent with applicable statute and  
511 promulgated rules.

512 (ii) The applicant shall assure compliance with Section 20201 of the Code, being Section 333.20201 of  
513 the Michigan Compiled Laws.

514 (iii) The applicant shall participate in a data collection network established and administered by the  
515 Department or its designee. The data may include, but is not limited to, annual budget and cost information  
516 and demographic, diagnostic, morbidity, and mortality information, as well as the volume of care provided to  
517 patients from all payor sources. The applicant shall provide the required data on a separate basis for each  
518 licensed site; in a format established by the Department, and in a mutually agreed upon media. The  
519 Department may elect to verify the data through on-site review of appropriate records.

520 (A) The applicant shall participate and submit data to the Michigan Inpatient Data Base (MIDB). The data  
521 shall be submitted to the Department or its designee.

522 (IV) AN APPLICANT SHALL PARTICIPATE IN MEDICAID AT LEAST 12 CONSECUTIVE MONTHS  
523 WITHIN THE FIRST TWO YEARS OF OPERATION AND CONTINUE TO PARTICIPATE ANNUALLY  
524 THEREAFTER.

525 (d) The applicant, to assure appropriate utilization by all segments of the Michigan population, shall:

526 (i) Not deny services to any individual based on ability to pay or source of payment.

527 (ii) Maintain information by source of payment to indicate the volume of care from each payor and non-  
528 payor source provided annually.

529 (iii) Provide services to any individual based on clinical indications of need for the services.

530  
531 (2) The agreements and assurances required by this section shall be in the form of a certification  
532 authorized by the governing body of the applicant or its authorized agent.

533  
534 **Section 10. Rural, MICROPOLITAN STATISTICAL AREA, AND METROPOLITAN STATISTICAL AREA**  
535 **Michigan counties**

536  
537 Sec. 10. Rural, MICROPOLITAN STATISTICAL AREA, AND METROPOLITAN STATISTICAL AREA  
538 Michigan counties, for purposes of these standards, are incorporated as part of these standards as Appendix

B. The Department may amend Appendix B as appropriate to reflect changes by the ~~U.S. Department of Commerce, Bureau of Census~~ STATISTICAL POLICY OFFICE OF THE OFFICE OF INFORMATION AND REGULATORY AFFAIRS OF THE UNITED STATES OFFICE OF MANAGEMENT AND BUDGET.

## **Section 11. Department inventory of beds**

Sec. 11. The Department shall maintain and provide on request a listing of the Department inventory of beds for each subarea.

## **Section 12. Effect on prior planning policies; comparative reviews**

Sec. 12. (1) These ~~certificate of need~~CON review standards supersede and replace the ~~certificate of need~~CON standards for hospital beds approved by the ~~Certificate of Need~~CON Commission on ~~March 11, JUNE 10,~~ 2003 and effective ~~May 12~~AUGUST 4, 2003.

(2) Projects reviewed under these standards shall be subject to comparative review except those projects meeting the requirements of Section 7 involving the replacement of beds in a hospital within the replacement zone and projects involving acquisition (including purchase, lease, donation or comparable arrangements) of a hospital.

## **Section 13. Additional requirements for applications included in comparative reviews**

Sec. 13. (1) Any application subject to comparative review under Section 22229 of the Code being Section 333.22229 of the Michigan Compiled Laws or these standards shall be grouped and reviewed with other applications in accordance with the ~~certificate of need~~CON rules applicable to comparative reviews.

(2) Each application in a comparative review group shall be individually reviewed to determine whether the application has satisfied all the requirements of Section 22225 of the Code being Section 333.22225 of the Michigan Compiled Laws and all other applicable requirements for approval in the Code and these standards. If the Department determines that one or more of the competing applications satisfies all of the requirements for approval, these projects shall be considered qualifying projects. The Department shall approve those qualifying projects which, taken together, do not exceed the need, as defined in Section 22225(1), in the order the Department determines the projects most fully promote the availability of quality health services at reasonable cost.

## **Section 14. Documentation of market survey**

Sec. 14. An applicant required to conduct a market survey under Section 3 shall specify how the market survey was developed. This specification shall include a description of the data source(s) used, assessments of the accuracy of these data, and the statistical method(s) used. Based on this documentation, the Department shall determine if the market survey is reasonable.

## **Section 15. Requirements for approval -- acquisition of a hospital**

Sec. 15. (1) An applicant proposing to acquire a hospital shall not be required to be in compliance with the needed hospital bed supply set forth in Appendix C for the subarea in which the hospital subject to the proposed acquisition is assigned if the applicant demonstrates that all of the following are met:

- (a) the acquisition will not result in a change in bed capacity,
- (b) the licensed site does not change as a result of the acquisition,
- (c) the project is limited solely to the acquisition of a hospital with a valid license, AND
- (d) if the application is to acquire a hospital, which was proposed in a prior application to be established as a long-term (acute) care hospital (LTAC) and which received ~~certificate of need~~CON approval, the applicant also must meet the requirements of Section 6(2). Those hospitals that received such prior approval are so identified in Appendix A.

594 SECTION 16. REQUIREMENTS FOR APPROVAL – ALL APPLICANTS

595  
596 SEC. 16. AN APPLICANT SHALL PROVIDE VERIFICATION OF MEDICAID PARTICIPATION AT THE  
597 TIME THE APPLICATION IS SUBMITTED TO THE DEPARTMENT. IF THE REQUIRED DOCUMENTATION  
598 IS NOT SUBMITTED WITH THE APPLICATION ON THE DESIGNATED APPLICATION DATE, THE  
599 APPLICATION WILL BE DEEMED FILED ON THE FIRST APPLICABLE DESIGNATED APPLICATION DATE  
600 AFTER ALL REQUIRED DOCUMENTATION IS RECEIVED BY THE DEPARTMENT.  
601

**Section 16. Health service areas**

Sec. 16. Counties assigned to each of the health service areas are as follows:

<b>HSA</b>	<b>COUNTIES</b>		
1 - Southeast	Livingston	Monroe	St. Clair
	Macomb	Oakland	Washtenaw
	Wayne		
2 - Mid-Southern	Clinton	Hillsdale	Jackson
	Eaton	Ingham	Lenawee
3 - Southwest	Barry	Calhoun	St. Joseph
	Berrien	Cass	Van Buren
	Branch	Kalamazoo	
4 - West	Allegan	Mason	Newaygo
	Ionia	Mecosta	Oceana
	Kent	Montcalm	Osceola
	Lake	Muskegon	Ottawa
5 - GLS	Genesee	Lapeer	Shiawassee
6 - East	Arenac	Huron	Roscommon
	Bay	Iosco	Saginaw
	Clare	Isabella	Sanilac
	Gladwin	Midland	Tuscola
	Gratiot	Ogemaw	
7 - Northern Lower	Alcona	Crawford	Missaukee
	Alpena	Emmet	Montmorency
	Antrim	Gd Traverse	Oscoda
	Benzie	Kalkaska	Otsego
	Charlevoix	Leelanau	Presque Isle
	Cheboygan	Manistee	Wexford
8 - Upper Peninsula	Alger	Gogebic	Mackinac
	Baraga	Houghton	Marquette
	Chippewa	Iron	Menominee
	Delta	Keweenaw	Ontonagon
	Dickinson	Luce	Schoolcraft



**CERTIFICATE OF NEED REVIEW STANDARDS  
FOR HOSPITAL BEDS**

Hospital-subarea assignments

Health

Service — Sub

Area — Area — Hospital Name — City

1 - Southeast

47	Brighton	Brighton
47	McPherson Community Hlth Ctr	Howell
48	Crittenton	Rochester
48	Huron Valley-Sinai	Milford
48	Select Specialty (LTAG - Fac #63-0172)*	Pontiac
48	No. Oakland Medical Ctr	Pontiac
48	Pontiac Osteopathic	Pontiac
48	ST. JOSEPH MERCY - OAKLAND	PONTIAC
49	Mount Clemens General	Mt Clemens
49	St. John North Shores Hospital	Mt Clemens
49	St Joseph Mercy - Almont (a)	Romeo
49	St Joseph Mercy - East (a)	Mt Clemens
49	St Joseph Mercy - West (a)	Mt Clemens
49	Select Specialty (LTAG - Fac #50-0111)*	Mt. Clemens
50	Mercy Hospital	Port Huron
50	Port Huron	Port Huron
50	St. John River District	St Clair
57	Forest Health Medical Center	Ypsilanti
57	Chelsea Community	Chelsea
57	Saline Community	Saline
57	St. Joseph Mercy	Ann Arbor
57	University of Michigan	Ann Arbor
57	Select Specialty (LTAG - Fac #81-0081)*	Ann Arbor
66	Mercy Memorial	Monroe
67	Oakwood - Annapolis	Wayne
67	Garden City Osteopathic	Garden City
67	St. Mary' - s Mercy Hospital	Livonia
68	Oakwood - Heritage	Taylor
68	Oakwood Hosp & Med Ctr	Dearborn
68	Riverside Osteopathic	Trenton
68	Oakwood - Seaway	Trenton
68	Henry Ford - Wyandotte	Wyandotte
68	Vencor Hosp - Detroit	Lincoln Park

\*This is a hospital that must meet the requirement(s) of Section 14(1)(d).

Health Service Area	Sub Area	Hospital Name	City
	68	Select Specialty Hospital - Wyandotte (LTAC - #82-0272)*	Wyandotte
	69	William Beaumont	Troy
	69	William Beaumont	Royal Oak
	69	Botsford General	Farmington Hills
	69	Madison Community	Madison Hgts
	69	SJHS - Oakland General	Madison Hgts
	69	Providence	Southfield
	69	Great Lakes Rehab	Southfield
	69	Sinai - Grace	Detroit
	69	Straith	Southfield
	69	Select Specialty Hospital NW Detroit (LTAC - #83-0523)*	Detroit
	70	Bi-County Community	Warren
	70	Bon Secours	Grosse Pointe
	70	Henry Ford Cottage Hospital	Grosse Pointe Farms
	70	Kern Hospital	Warren
	70	St. John Hospital and Medical Center	Detroit
	70	St. John Northeast Community Hospital	Detroit
	70	St. John Gratiot Center	Detroit
	70	St. John Macomb Hospital	Warren
	70	SCGI of America (LTAC - #83-0521)*	Detroit
	70	Select Specialty Hospital - Macomb (LTAC - #50-0112)*	Warren
	71	Children' s	Detroit
	71	Detroit Receiving	Detroit
	71	Greater Detroit Hospital	Detroit
	71	Harper	Detroit
	71	Henry Ford	Detroit
	71	Hutzel	Detroit
	71	Rehabilitation Inst	Detroit
	71	Renaissance Hospital & Med Ctr	Detroit
	71	St. John Detroit Riverview	Detroit
	71	United Community	Detroit
	71	Kindred Hospital - Metro Detroit	Detroit
	71	Select Specialty Hospital - Central Detroit (LTAC - #83-0524)*	Detroit
2 - Mid-Southern			
	46	Clinton Memorial	St Johns
	46	Eaton Rapids Community	Eaton Rapids
	46	Hayes Green Beach	Charlotte
	46	Ingham Reg' I Med Ctr Greenlawn	Lansing
	46	Ingham Reg' I Med Ctr - Pennsylvania	Lansing
	46	Sparrow - Michigan	Lansing
	46	Sparrow - St. Lawrence	Lansing

\*This is a hospital that must meet the requirement(s) of Section 14(1)(d).

757	Health		
758	Service	Sub	
759	Area	Area	Hospital Name City
760	=====		
761		56	Doctors Jackson
762		56	Foote Memorial Jackson
763			
764		64	Hillsdale Community Hillsdale
765			
766		65	Addison Addison
767		65	Emma L. Bixby Adrian
768		65	Herrick Memorial Tecumseh
769			
770	3 - Southwest		
771		45	Pennock Hastings
772			
773		51	South Haven Community South Haven
774			
775		53	Borgess Medical Ctr Kalamazoo
776		53	Borgess-Pipp Plainwell
777		53	Bronson Methodist Kalamazoo
778		53	Bronson - Lakeview Paw Paw
779		53	Bronson - Vicksburg Vicksburg
780		53	Lakeview Community Paw Paw
781			
782		54	BCHS - Fieldstone Ctr (b) Battle Creek
783		54	BCHS - Leila (b) Battle Creek
784		54	Select Specialty (LTAG - Fac #13-0111)* Battle Creek
785		54	Oaklawn Marshall
786		54	Southwestern MI Rehab Battle Creek
787			
788		58	Community Watervliet
789		58	Lakeland Med Ctr St. Joseph
790		58	Lakeland Speciality (LTAG - Fac #11-0080)* Berrien Center
791			
792		59	Lee Memorial Dowagiac
793			
794		60	Lakeland Medical Ctr Niles
795			
796		61	Three Rivers Area Three Rivers
797			
798		62	Sturgis Sturgis
799			
800		63	Community Health Ctr Goldwater
801			
802	4 - West		
803		25	Memorial Medical Ctr of West MI Ludington
804			
805		26	Kelsey Memorial Lakeview
806		26	Mecosta County General Big Rapids
807			
808	*This is a hospital that must meet the requirement(s) of Section 14(1)(d):		
809			

**APPENDIX A** (Continued)

Health Service Area	Sub Area	Hospital Name	City
	26	Spectrum Health - Reed City	Reed City
	30	Lakeshore Community	Shelby
	31	Gerber Memorial	Fremont
	32	Carson City Osteopathic	Carson City
	32	Gratiot Community	Alma
	37	Hackley Medical Center	Muskegon
	37	Mercy Gen' l Hlth Prtnrs Sherman	Muskegon
	37	Mercy Gen' l Hlth Prtnrs Oak	Muskegon
	37	Nextcare (LTAC - Fac #61-0052)*	Muskegon
	37	North Ottawa Community	Grand Haven
	37	Select Speciality (LTAC - Fac #61-0051)*	Muskegon
	38	Blodgett Memorial dba Spectrum Hlth	E. Grand Rapids
	38	Butterworth dba Spectrum Hlth	Grand Rapids
	38	Ferguson dba Spectrum Hlth	Grand Rapids
	38	Kent Community dba Spectrum Hlth	Grand Rapids
	38	Mary Free Bed	Grand Rapids
	38	Metropolitan	Grand Rapids
	38	St. Mary' s Mercy	Grand Rapids
	39	Sheridan Community	Sheridan
	39	United Memorial	Greenville
	43	Holland Community	Holland
	43	Zeeland Community	Zeeland
	44	Ionia County Memorial	Ionia
	52	Allegan General	Allegan
<b>5 - GLS</b>			
	40	Memorial Healthcare Ctr	Owosso
	41	Genesys Regional Med Ctr	Grand Blanc
	41	Hurley Medical Ctr	Flint
	41	McLaren General	Flint
	41	Select Speciality (LTAC - Fac #25-0071)*	Flint
	42	Lapeer Regional	Lapeer
<b>6 - East</b>			
	22	West Branch Reg' l Med Ctr	West Branch

\*This is a hospital that must meet the requirement(s) of Section 14(1)(d).

**APPENDIX A** (Continued)

866	Health		
867	Service	Sub	
868	Area	Area	Hospital Name City
869	=====		
870		23	Tawas - St. Joseph Tawas City
871			
872		27	Central Michigan Community Mt Pleasant
873		27	MidMichigan Reg' I Med Ctr Clare
874			
875		28	MidMichigan Reg' I Med Ctr Gladwin
876		28	MidMichigan Reg' I Med Ctr Midland
877			
878		29	Bay Regional Med Ctr (c) Bay City
879		29	Bay Regional Med Ctr-West (c) Bay City
880		29	Samaritan (c) Bay City
881		29	Standish Community Standish
882		29	Bay Special Care Ctr (LTAC - Fac #09-0010)* Bay City
883			
884		33	Covenant Med Ctrs - 700 Cooper(d) Saginaw
885		33	Covenant Med Ctrs - Michigan (d) Saginaw
886		33	Covenant Med Ctrs - Harrison(d) Saginaw
887		33	Healthsource - Saginaw Saginaw
888		33	St. Mary' s Medical Ctr Saginaw
889			
890		34	Caro Community Caro
891		34	Hills and Dales General Cass City
892			
893		35	Harbor Beach Community Harbor Beach
894		35	Huron Memorial Bad Axe
895		35	Scheurer Pigeon
896			
897		36	Deckerville Community Deckerville
898		36	Marlette Community Marlette
899		36	McKenzie Memorial Sandusky
900			
901	7 - Northern Lower		
902		14	Community Memorial Cheboygan
903			
904		15	Charlevoix Charlevoix
905		15	Mackinac Straits Hlth Ctr St. Ignace
906		15	Northern Michigan Petoskey
907			
908		16	Rogers City Rehab Rogers City
909		16	Russell Memorial Onaway
910			
911		17	Otsego County Memorial Gaylord
912			
913		18	Alpena General Alpena
914			
915		19	Kalkaska Memorial Kalkaska
916			
917	*This is a hospital that must meet the requirement(s) of Section 14(1)(d):		
918			
919			APPENDIX A (Continued)
920			
921	Health		
922	Service	Sub	



923	Area	Area	Hospital Name	City
924				
925		19	Leelanau Health Ctr	Northport
926		19	Munson Medical Ctr	Traverse City
927		19	Paul Oliver Memorial	Frankfort
928				
929		20	Mercy	Cadillac
930				
931		21	Mercy	Grayling
932				
933		24	West Shore Medical	Manistee
934				
935	8-- Upper Peninsula			
936		01	Grand View	Ironwood
937				
938		02	Ontonagon Memorial	Ontonagon
939				
940		03	Iron County General	Iron River
941				
942		04	Baraga County Memorial	L' Anse
943				
944		05	Keweenaw Memorial Med Ctr	Laurium
945		05	Portage Health System	Hancock
946				
947		06	Dickinson Co. Memorial	Iron Mountain
948				
949		07	Francis A. Bell Memorial	Ishpeming
950		07	Marquette General	Marquette
951				
952		08	Bay Area Medical Ctr	Menominee
953				
954		09	St. Francis	Escanaba
955				
956		10	Munising Memorial	Munising
957				
958		11	Schoolcraft Memorial	Manistique
959				
960		12	Helen Newberry Joy	Newberry
961				
962		13	Chippewa Co. War Mem.	Sault Ste Marie
963				
964				
965	(a) licensed sites under single license issued to St. Joseph Hospital of Mt. Clemens			
966	(b) licensed sites under single license issued to Battle Creek Health Systems (BGHS)			
967	(c) licensed sites under single license issued to Bay Regional Medical Center, Bay City			
968	(d) licensed sites under single license issued to Covenant Medical Ctrs, Saginaw			
969				

**CON REVIEW STANDARDS  
FOR HOSPITAL BEDS**

HOSPITAL SUBAREA ASSIGNMENTS

**HEALTH**

**SERVICE SUB**

**AREA AREA HOSPITAL NAME CITY**

**1 - SOUTHEAST**

1A	NORTH OAKLAND MED CENTERS (FAC #63-0110)	PONTIAC
1A	PONTIAC OSTEOPATHIC HOSPITAL (FAC #63-0120)	PONTIAC
1A	ST. JOSEPH MERCY –OAKLAND (FAC #63-0140)	PONTIAC
1A	SELECT SPECIALTY HOSPITAL - PONTIAC (LTAC - FAC #63-0172)*	PONTIAC
1A	CRITTENTON HOSPITAL (FAC #63-0070)	ROCHESTER
1A	HURON VALLEY – SINAI HOSPITAL (FAC #63-0014)	COMMERCE TOWNSHIP
1A	WM BEAUMONT HOSPITAL (FAC #63-0030)	ROYAL OAK
1A	WM BEAUMONT HOSPITAL – TROY (FAC #63-0160)	TROY
1A	PROVIDENCE HOSPITAL (FAC #63-0130)	SOUTHFIELD
1A	GREAT LAKES REHABILITATION HOSPITAL (FAC #63-0013)	SOUTHFIELD
1A	STRAITH HOSPITAL FOR SPECIAL SURG (FAC #63-0150)	SOUTHFIELD
1A	THE ORTHOPAEDIC SPECIALTY HOSPITAL (FAC #63-0060)	MADISON HEIGHTS
1A	ST. JOHN OAKLAND HOSPITAL (FAC #63-0080)	MADISON HEIGHTS
1A	SOUTHEAST MICHIGAN SURGICAL HOSPITAL (FAC #50-0100)	WARREN
1B	BI-COUNTY COMMUNITY HOSPITAL (FAC #50-0020)	WARREN
1B	ST. JOHN MACOMB HOSPITAL (FAC #50-0070)	WARREN
1C	OAKWOOD HOSP AND MEDICAL CENTER (FAC #82-0120)	DEARBORN
1C	GARDEN CITY HOSPITAL (FAC #82-0070)	GARDEN CITY
1C	HENRY FORD –WYANDOTTE HOSPITAL (FAC #82-0230)	WYANDOTTE
1C	SELECT SPECIALTY HOSP WYANDOTTE (LTAC - FAC #82-0272)*	WYANDOTTE
1C	OAKWOOD ANNAPOLIS HOSPITAL (FAC #82-0010)	WAYNE
1C	OAKWOOD HERITAGE HOSPITAL (FAC #82-0250)	TAYLOR
1C	RIVERSIDE OSTEOPATHIC HOSPITAL (FAC #82-0160)	TRENTON
1C	OAKWOOD SOUTHSORE MEDICAL CENTER (FAC #82-0170)	TRENTON
1C	KINDRED HOSPITAL – DETROIT (FAC #82-0130)	LINCOLN PARK
1D	SINAI-GRACE HOSPITAL (FAC #83-0450)	DETROIT
1D	REHABILITATION INSTITUTE OF MICHIGAN (FAC #83-0410)	DETROIT
1D	HARPER UNIVERSITY HOSPITAL (FAC #83-0220)	DETROIT
1D	ST. JOHN DETROIT RIVERVIEW HOSPITAL (FAC #83-0034)	DETROIT
1D	HENRY FORD HOSPITAL (FAC #83-0190)	DETROIT
1D	ST. JOHN HOSPITAL & MEDICAL CENTER (FAC #83-0420)	DETROIT
1D	CHILDREN' S HOSPITAL OF MICHIGAN (FAC #83-0080)	DETROIT
1D	DETROIT RECEIVING HOSPITAL & UNIV HLTH (FAC #83-0500)	DETROIT
1D	ST. JOHN NORTHEAST COMMUNITY HOSP (FAC #83-0230)	DETROIT
1D	KINDRED HOSPITAL–METRO DETROIT (FAC #83-0520)	DETROIT
1D	SCCI HOSPITAL-DETROIT (LTAC - FAC #83-0521)*	DETROIT
1D	GREATER DETROIT HOSP–MEDICAL CENTER (FAC #83-0350)	DETROIT
1D	RENAISSANCE HOSP & MEDICAL CENTERS (FAC #83-0390)	DETROIT
1D	UNITED COMMUNITY HOSPITAL (FAC #83-0490)	DETROIT

\*THIS IS A HOSPITAL THAT MUST MEET THE REQUIREMENT(S) OF SECTION 15(1)(D) - LTAC.

## HEALTH

## SERVICE SUB

AREA	AREA	HOSPITAL NAME	CITY
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**1 - SOUTHEAST (CONTINUED)**

1D	HARPER-HUTZEL HOSPITAL (FAC #83-0240)	DETROIT
1D	SELECT SPECIALTY HOSP-NW DETROIT (LTAC - FAC #83-0523)*	DETROIT
1D	BON SECOURS HOSPITAL (FAC #82-0030)	GROSSE POINTE
1D	COTTAGE HOSPITAL (FAC #82-0040)	GROSSE POINTE FARM
1E	BOTSFORD GENERAL HOSPITAL (FAC #63-0050)	FARMINGTON HILLS
1E	ST. MARY MERCY HOSPITAL (FAC #82-0190)	LIVONIA
1F	MOUNT CLEMENS GENERAL HOSPITAL (FAC #50-0060)	MT. CLEMENS
1F	SELECT SPECIALTY HOSP - MACOMB CO. (FAC #50-0111)*	MT. CLEMENS
1F	ST. JOHN NORTH SHORES HOSPITAL (FAC #50-0030)	HARRISON TWP.
1F	ST. JOSEPH' S MERCY HOSP & HLTH SERV (FAC #50-0110)	CLINTON TOWNSHIP
1F	ST. JOSEPH' S MERCY HOSPITAL & HEALTH (FAC #50-0080)	MT. CLEMENS
1G	MERCY HOSPITAL (FAC #74-0010)	PORT HURON
1G	PORT HURON HOSPITAL (FAC #74-0020)	PORT HURON
1H	ST. JOSEPH MERCY HOSPITAL (FAC #81-0030)	ANN ARBOR
1H	UNIVERSITY OF MICHIGAN HEALTH SYSTEM (FAC #81-0060)	ANN ARBOR
1H	SELECT SPECIALTY HOSP-ANN ARBOR (LTAC - FAC #81-0081)*	ANN ARBOR
1H	CHELSEA COMMUNITY HOSPITAL (FAC #81-0080)	CHELSEA
1H	SAINT JOSEPH MERCY LIVINGSTON HOSP (FAC #47-0020)	HOWELL
1H	SAINT JOSEPH MERCY SALINE HOSPITAL (FAC #81-0040)	SALINE
1H	FOREST HEALTH MEDICAL CENTER (FAC #81-0010)	YPSILANTI
1H	BRIGHTON HOSPITAL (FAC #47-0010)	BRIGHTON
1I	ST. JOHN RIVER DISTRICT HOSPITAL (FAC #74-0030)	EAST CHINA
1J	MERCY MEMORIAL HOSPITAL (FAC #58-0030)	MONROE

**2 - MID-SOUTHERN**

2A	CLINTON MEMORIAL HOSPITAL (FAC #19-0010)	ST JOHNS
2A	EATON RAPIDS MEDICAL CENTER (FAC #23-0010)	EATON RAPIDS
2A	HAYES GREEN BEACH MEMORIAL HOSP (FAC #23-0020)	CHARLOTTE
2A	INGHAM REG MED CNTR(GREENLAWN) (FAC #33-0020)	LANSING
2A	INGHAM REG MED CNTR(PENNSYLVANIA) (FAC #33-0010)	LANSING
2A	EDWARD W. SPARROW HOSPITAL (FAC #33-0060)	LANSING
2A	SPARROW - ST LAWRENCE CAMPUS (FAC #33-0050)	LANSING
2B	CARELINK OF JACKSON (LTAC FAC #38-0030)*	JACKSON
2B	W. A. FOOTE MEMORIAL HOSPITAL (FAC #38-0010)	JACKSON
2C	HILLSDALE COMMUNITY HEALTH CENTER (FAC #30-0010)	HILLSDALE
2D	EMMA L. BIXBY MEDICAL CENTER (FAC #46-0020)	ADRIAN
2D	HERRICK MEMORIAL HOSPITAL (FAC #46-0030)	TECUMSEH

\*THIS IS A HOSPITAL THAT MUST MEET THE REQUIREMENT(S) OF SECTION 15(1)(D) - LTAC.

## HEALTH

## SERVICE SUB

AREA	AREA	HOSPITAL NAME	CITY
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**3 – SOUTHWEST**

3A	BORGESS MEDICAL CENTER (FAC #39-0010)	KALAMAZOO
3A	BRONSON METHODIST HOSPITAL (FAC #39-0020)	KALAMAZOO
3A	BORGESS-PIPP HEALTH CENTER (FAC #03-0031)	PLAINWELL
3A	LAKEVIEW COMMUNITY HOSPITAL (FAC #80-0030)	PAW PAW
3A	BRONSON – VICKSBURG HOSPITAL (FAC #39-0030)	VICKSBURG
3A	PENNOCK HOSPITAL (FAC #08-0010)	HASTINGS
3A	THREE RIVERS AREA HOSPITAL (FAC #75-0020)	THREE RIVERS
3A	STURGIS HOSPITAL (FAC #75-0010)	STURGIS
3A	SEMPERCARE HOSPITAL AT BRONSON (LTAC - FAC #39-0032)*	KALAMAZOO
3B	FIELDSTONE CTR OF BATTLE CRK. HEALTH (FAC #13-0030)	BATTLE CREEK
3B	BATTLE CREEK HEALTH SYSTEM (FAC #13-0031)	BATTLE CREEK
3B	SELECT SPEC HOSP-BATTLE CREEK (LTAC - FAC #13-0111)*	BATTLE CREEK
3B	SW MICHIGAN REHAB. HOSP. (FAC #13-0100)	BATTLE CREEK
3B	OAKLAWN HOSPITAL (FAC #13-0080)	MARSHALL
3C	COMMUNITY HOSPITAL (FAC #11-0040)	WATERVLIET
3C	LAKELAND HOSPITAL, ST. JOSEPH (FAC #11-0050)	ST. JOSEPH
3C	LAKELAND SPECIALTY HOSPITAL (LTAC - FAC #11-0080)*	BERRIEN CENTER
3C	SOUTH HAVEN COMMUNITY HOSPITAL (FAC #80-0020)	SOUTH HAVEN
3D	LAKELAND HOSPITAL, NILES (FAC #11-0070)	NILES
3D	LEE MEMORIAL HOSPITAL (A) (FAC #14-0010)	DOWAGIAC
3E	COMMUNITY HLTH CTR OF BRANCH CO (FAC #12-0010)	COLDWATER

**4 – WEST**

4A	MEMORIAL MEDICAL CENTER OF WEST MI (FAC #53-0010)	LUDINGTON
4B	KELSEY MEMORIAL HOSPITAL (FAC #59-0050)	LAKEVIEW
4B	MECOSTA COUNTY GENERAL HOSPITAL (FAC #54-0030)	BIG RAPIDS
4C	SPECTRUM HLTH-REED CITY CAMPUS (FAC #67-0020)	REED CITY
4D	LAKESHORE COMMUNITY HOSPITAL (FAC #64-0020)	SHELBY
4E	GERBER MEMORIAL HOSPITAL (FAC #62-0010)	FREMONT
4F	CARSON CITY HOSPITAL (FAC #59-0010)	CARSON CITY
4F	GRATIOT COMMUNITY HOSPITAL (FAC #29-0010)	ALMA
4G	HACKLEY HOSPITAL (FAC #61-0010)	MUSKEGON
4G	MERCY GEN HLTH PARTNERS-(SHERMAN) (FAC #61-0020)	MUSKEGON
4G	MERCY GEN HLTH PARTNERS-(OAK) (FAC #61-0030)	MUSKEGON
4G	LIFECARE HOSPITALS OF WESTERN MI (LTAC - FAC #61-0052)*	MUSKEGON
4G	SELECT SPEC HOSP-WESTERN MI (LTAC - FAC #61-0051)*	MUSKEGON

\*THIS IS A HOSPITAL THAT MUST MEET THE REQUIREMENT(S) OF SECTION 15(1)(D) - LTAC.

## HEALTH

## SERVICE SUB

AREA	AREA	HOSPITAL NAME	CITY
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**4 – WEST (CONTINUED)**

4G	NORTH OTTAWA COMMUNITY HOSPITAL (FAC #70-0010)	GRAND HAVEN
4H	SPECTRUM HLTH-BLODGETT CAMPUS (FAC #41-0010)	E. GRAND RAPIDS
4H	SPECTRUM HLTH-BUTTERWORTH CAMPUS (FAC #41-0040)	GRAND RAPIDS
4H	SPECTRUM HLTH-KENT COMM CAMPUS (FAC #41-0090)	GRAND RAPIDS
4H	MARY FREE BED HOSPITAL & REHAB CTR (FAC #41-0070)	GRAND RAPIDS
4H	METROPOLITAN HOSPITAL (FAC #41-0060)	GRAND RAPIDS
4H	SAINT MARY' S MERCY MEDICAL CENTER (FAC #41-0080)	GRAND RAPIDS
4I	SHERIDAN COMMUNITY HOSPITAL (A) (FAC #59-0030)	SHERIDAN
4I	UNITED MEMORIAL HOSPITAL & LTCU (FAC #59-0060)	GREENVILLE
4J	HOLLAND COMMUNITY HOSPITAL (FAC #70-0020)	HOLLAND
4J	ZEELAND COMMUNITY HOSPITAL (FAC #70-0030)	ZEELAND
4K	IONIA COUNTY MEMORIAL HOSPITAL (FAC #34-0020)	IONIA
4L	ALLEGAN GENERAL HOSPITAL (FAC #03-0010)	ALLEGAN

**5 – GLS**

5A	MEMORIAL HEALTHCARE (FAC #78-0010)	OWOSSO
5B	GENESYS REG MED CTR-HLTH PARK (FAC #25-0072)	GRAND BLANC
5B	HURLEY MEDICAL CENTER (FAC #25-0040)	FLINT
5B	MCLAREN REGIONAL MEDICAL CENTER (FAC #25-0050)	FLINT
5B	SELECT SPECIALTY HOSPITAL-FLINT (LTAC - FAC #25-0071)*	FLINT
5C	LAPEER REGIONAL HOSPITAL (FAC #44-0010)	LAPEER

**6 – EAST**

6A	WEST BRANCH REGIONAL MEDICAL CNTR (FAC #65-0010)	WEST BRANCH
6A	TAWAS ST JOSEPH HOSPITAL (FAC #35-0010)	TAWAS CITY
6B	CENTRAL MICHIGAN COMMUNITY HOSP (FAC #37-0010)	MT PLEASANT
6C	MIDMICHIGAN MEDICAL CENTER-CLARE (FAC #18-0010)	CLARE
6D	MIDMICHIGAN MEDICAL CNTR-GLADWIN (FAC #26-0010)	GLADWIN
6D	MIDMICHIGAN MEDICAL CNTR-MIDLAND (FAC #56-0020)	MIDLAND

\*THIS IS A HOSPITAL THAT MUST MEET THE REQUIREMENT(S) OF SECTION 15(1)(D) - LTAC.

(A) LICENSED SITES WITH LESS THAN 15 ACUTE CARE MED/SURG BEDS AND UP TO 10 MED/SURG BEDS DESIGNATED FOR SHORT-TERM NURSING CARE PROGRAM ("SWING BEDS"). THESE HOSPITALS HAVE STATE/FEDERAL CRITICAL ACCESS HOSPITAL DESIGNATION.



## HEALTH

## SERVICE SUB

AREA	AREA	HOSPITAL NAME	CITY
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**6 – EAST (CONTINUED)**

6E	BAY REGIONAL MEDICAL CENTER (FAC #09-0050)	BAY CITY
6E	BAY REGIONAL MEDICAL CTR-WEST (FAC #09-0020)	BAY CITY
6E	SAMARITAN HEALTH CENTER (FAC #09-0051)	BAY CITY
6E	BAY SPECIAL CARE (LTAC - FAC #09-0010)*	BAY CITY
6E	STANDISH COMMUNITY HOSPITAL (A) (FAC #06-0020)	STANDISH
6F	SELECT SPECIALTY HOSP-SAGINAW (LTAC - FAC #73-0062)*	SAGINAW
6F	COVENANT MEDICAL CENTERS, INC (FAC #73-0061)	SAGINAW
6F	COVENANT MEDICAL CNTR-N MICHIGAN (FAC #73-0030)	SAGINAW
6F	COVENANT MEDICAL CNTR-N HARRISON (FAC #73-0020)	SAGINAW
6F	HEALTHSOURCE SAGINAW (FAC #73-0060)	SAGINAW
6F	ST. MARY' S MEDICA CENTER (FAC #73-0050)	SAGINAW
6F	CARO COMMUNITY HOSPITAL (FAC #79-0010)	CARO
6F	HILLS AND DALES GENERAL HOSPITAL (FAC #79-0030)	CASS CITY
6G	HARBOR BEACH COMMUNITY HOSP (A) (FAC #32-0040)	HARBOR BEACH
6G	HURON MEDICAL CENTER (FAC #32-0020)	BAD AXE
6G	SCHEURER HOSPITAL (A) (FAC #32-0030)	PIGEON
6H	DECKERVILLE COMMUNITY HOSPITAL (A) (FAC #76-0010)	DECKERVILLE
6H	MCKENZIE MEMORIAL HOSPITAL (A) (FAC #76-0030)	SANDUSKY
6I	MARLETTE COMMUNITY HOSPITAL (FAC #76-0040)	MARLETTE

**7 - NORTHERN LOWER**

7A	CHEBOYGAN MEMORIAL HOSPITAL (FAC #16-0020)	CHEBOYGAN
7B	CHARLEVOIX AREA HOSPITAL (FAC #15-0020)	CHARLEVOIX
7B	MACKINAC STRAITS HOSPITAL (A) (FAC #49-0030)	ST. IGNACE
7B	NORTHERN MICHIGAN HOSPITAL (FAC #24-0030)	PETOSKEY
7C	ROGERS CITY REHABILITATION HOSPITAL (FAC #71-0030)	ROGERS CITY
7D	OTSEGO MEMORIAL HOSPITAL (FAC #69-0020)	GAYLORD
7E	ALPENA GENERAL HOSPITAL (FAC #04-0010)	ALPENA
7F	KALKASKA MEMORIAL HEALTH CENTER (A) (FAC #40-0020)	KALKASKA
7F	LEELANAU MEMORIAL HEALTH CENTER (A) (FAC #45-0020)	NORTHPORT
7F	MUNSON MEDICAL CENTER (FAC #28-0010)	TRAVERSE CITY
7F	PAUL OLIVER MEMORIAL HOSPITAL (A) (FAC #10-0020)	FRANKFORT

\*THIS IS A HOSPITAL THAT MUST MEET THE REQUIREMENT(S) OF SECTION 15(1)(D) - LTAC.

(A) LICENSED SITES WITH LESS THAN 15 ACUTE CARE MED/SURG BEDS AND UP TO 10 MED/SURG BEDS DESIGNATED FOR SHORT-TERM NURSING CARE PROGRAM ("SWING BEDS"). THESE HOSPITALS HAVE STATE/FEDERAL CRITICAL ACCESS HOSPITAL DESIGNATION.

## HEALTH

## SERVICE SUB

AREA	AREA	HOSPITAL NAME	CITY
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**7 - NORTHERN LOWER (CONTINUED)**

7G	MERCY HOSPITAL - CADILLAC (FAC #84-0010)	CADILLAC
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7H	MERCY HOSPITAL - GRAYLING (FAC #20-0020)	GRAYLING
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7I	WEST SHORE MEDICAL CENTER (FAC #51-0020)	MANISTEE
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**8 - UPPER PENINSULA**

8A	GRAND VIEW HOSPITAL (FAC #27-0020)	IRONWOOD
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8B	ONTONAGON MEMORIAL HOSPITAL (A) (FAC #66-0020)	ONTONAGON
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8C	IRON COUNTY GENERAL HOSPITAL (FAC #36-0020)	IRON RIVER
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8D	BARAGA COUNTY MEMORIAL HOSPITAL (A) (FAC #07-0020)	L' ANSE
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8E	KEWEENAW MEMORIAL MEDICAL CENTER (FAC #31-0010)	LAURIUM
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8E	PORTAGE HEALTH SYSTEM (FAC #31-0020)	HANCOCK
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8F	DICKINSON COUNTY MEMORIAL HOSPITAL (FAC #22-0020)	IRON MOUNTAIN
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8G	BELL MEMORIAL HOSPITAL (FAC #52-0010)	ISHPEMING
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8G	MARQUETTE GENERAL HOSPITAL (FAC #52-0050)	MARQUETTE
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8H	ST. FRANCIS HOSPITAL (FAC #21-0010)	ESCANABA
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8I	MUNISING MEMORIAL HOSPITAL (A) (FAC #02-0010)	MUNISING
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8J	SCHOOLCRAFT MEMORIAL HOSPITAL (A) (FAC #77-0010)	MANISTIQUE
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8K	HELEN NEWBERRY JOY HOSPITAL (A) (FAC #48-0020)	NEWBERRY
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8L	CHIPPEWA CO. WAR MEMORIAL HOSP (FAC #17-0020)	SAULT STE MARIE
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(A) LICENSED SITES WITH LESS THAN 15 ACUTE CARE MED/SURG BEDS AND UP TO 10 MED/SURG BEDS DESIGNATED FOR SHORT-TERM NURSING CARE PROGRAM ("SWING BEDS"). THESE HOSPITALS HAVE STATE/FEDERAL CRITICAL ACCESS HOSPITAL DESIGNATION.

**CERTIFICATE OF NEED CON REVIEW STANDARDS**  
**FOR HOSPITAL BEDS**

Rural Michigan counties are as follows:

Alcona	Gd. Traverse	Missaukee
Alger	Gratiot	Montcalm
Alpena	Hillsdale	Montmorency
Antrim	Houghton	Newaygo
Arenac	Huron	Oceana
Baraga	Ionia	Ogemaw
Barry	Iosco	Ontonagon
Benzie	Iron	Osceola
Branch	Isabella	Oscoda
Cass	Kalkaska	Otsego
Charlevoix	Keweenaw	Presque Isle
Cheboygan	Lake	Roscommon
Chippewa	Leelanau	St. Joseph
Clare	Luce	Sanilac
Crawford	Mackinac	Schoolcraft
Delta	Manistee	Shiawassee
Dickinson	Marquette	Tuscola
Emmet	Mason	Wexford
Gladwin	Mecosta	
Gogebic	Menominee	

**MICROPOLITAN STATISTICAL AREA MICHIGAN COUNTIES ARE AS FOLLOWS:**

ALLEGAN	GRATIOT	MECOSTA
ALPENA	HOUGHTON	MENOMINEE
BENZIE	ISABELLA	MIDLAND
BRANCH	KALKASKA	MISSAUKEE
CHIPPEWA	KEWEENAW	ST. JOSEPH
DELTA	LEELANAU	SHIAWASSEE
DICKINSON	LENAWEE	WEXFORD
GRAND TRAVERSE	MARQUETTE	

**METROPOLITAN STATISTICAL AREA MICHIGAN COUNTIES ARE AS FOLLOWS:**

ALLEGAN	KALAMAZOO	OAKLAND
BAY	KENT	OTTAWA
BERRIEN	LAPEER	SAGINAW
CALHOUN	LENAWEE	ST. CLAIR
CLINTON	LIVINGSTON	VAN BUREN
EATON	MACOMB	WASHTENAW
GENESEE	MIDLAND	WAYNE
INGHAM	MONROE	
JACKSON	MUSKEGON	

1353 Source:  
1354  
1355 [55-65 F.R., p. 12154-82238 \(March-DECEMBER 3027, 19902000\)](#) |  
1356 Statistical Policy Office  
1357 Office of Information and Regulatory Affairs  
1358 United States Office of Management and Budget

**CERTIFICATE OF NEED/CON REVIEW STANDARDS**  
**FOR HOSPITAL BEDS**

The hospital bed need for purposes of these standards until otherwise changed by the Commission are as follows:

Health Service Area	SA No.	Subarea (SA)	Bed Need	Bed Inventory <del>11-4-02</del> 12-01-03*
<b>1 - SOUTHEAST</b>				
	471A	HOWELL	692693	1363408
	481B	PONTIAC	797415	1492551
	491C	MOUNT CLEMENS	4551372	7702143
	501D	PORT HURON	2483098	3504828
	571E	ANN ARBOR	1224451	1574578
	661E	MONROE	121636	217770
	671G	WAYNE	429275	855282
	681H	DEARBORN-WYANDOTTE	8331431	1561773
	691I	NORTHWEST DETROIT	231950	262068
	701J	NORTHEAST DETROIT	1167149	1961217
	71	CENTRAL DETROIT	1514	3152
<b>2 - MID-SOUTHERN</b>				
	462A	LANSING	718866	1143
	562B	JACKSON	233293	390
	642C	HILLSDALE	5848	65
	652D	ADRIAN	11898	191180
<b>3 - SOUTHWEST</b>				
	453A	HASTINGS	77763	891080
	513B	SOUTH HAVEN	19282	82341
	533C	KALAMAZOO	547261	837431
	543D	BATTLE CREEK	20685	34189
	553E	ALBION	2859	0102
	58	BENTON HARBOR	204	349
	59	DOWAGIAC	39	74
	60	NILES	57	89
	61	THREE RIVERS	45	60
	62	STURGIS	39	94
	63	GOLDWATER	63	102
<b>4 - WEST</b>				
	254A	LUDINGTON	6957	81
	264B	BIG RAPIDS	9163	168126
	304C	HART	1317	2442
	314D	FREMONT	3611	6124
	374E	MUSKEGON	29738	56861
	384E	GRAND RAPIDS	1133136	1738191
	394G	GREENVILLE	44391	90568
	434H	HOLLAND	1401240	2501738
	444I	IONIA	2647	7765
	524J	ALLEGAN	30153	54250
	4K		21	77
	4L		24	54

\*Applicants **must** contact the Department to obtain the current number of beds in the Department inventory of beds. Note the figures in the Bed Inventory Column do not reflect any data regarding applications for beds under appeal or pending a final Department decision.



Health Service Area	SA No.	Subarea (SA)	Bed Need	Bed Inventory 11-4-02*
5 - GLS				
	405A	OWOSSO	9879	115
	415B	FLINT	8431120	1241
	425C	LAPEER	107119	183
6 - EAST				
	226A	WEST BRANCH	6499	88148
	236B	TAWAS CITY	3855	60118
	276C	MOUNT PLEASANT	9947	18264
	286D	MIDLAND	193216	272
	296E	BAY CITY	211299	443
	326E	ALMA	126765	1911091
	336G	SAGINAW	55543	99464
	346H	CASS CITY	3013	9740
	356I	BAD AXE	5424	11448
	36	THUMB	49	100
7 - NORTHERN LOWER				
	147A	GHEBOYGAN	4143	46
	157B	PETOSKEY	175203	288273
	167C	ROGERS CITY	220	36
	177D	GAYLORD	3027	53
	187E	ALPENA	9699	124
	197E	TRAVERSE CITY	271349	393354
	207G	GADILLAG	7662	97
	217H	GRAYLING	5153	90
	247I	MANISTEE	3740	75
8 - UPPER PENINSULA				
	18A	WAKEFIELD	3924	54
	28B	ONTONAGON	87	25
	38C	CRYSTAL FALLS	2921	36
	48D	L'ANSE	1411	24
	58E	HANGOCK	6150	85
	68E	IRON MOUNTAIN	6888	96
	78G	MARQUETTE	179228	358
	8H	MENOMINEE	057	0110
	98I	ESCANABA	694	11025
	108J	MUNISING	7	25
	118K	MANISTIQUE	119	25
	128L	NEWBERRY	1352	2582
	13	SAULT SAINT MARIE	41	82

\*Applicants must contact the Department to obtain the current number of beds in the Department inventory of beds. Note the figures in the Bed Inventory Column do not reflect any data regarding applications for beds under appeal or pending a final Department decision.

1468  
1469  
1470

**OCCUPANCY RATE TABLE**

<b>ADC &gt;=</b>	<b>ADC &lt;</b>	<b>Occup</b>	<b>Beds</b>	<b>ADC &gt;=</b>	<b>ADC &lt;</b>	<b>Occup</b>	<b>Beds</b>
	50.000	<b>0.60</b>	83	101.475	102.225	0.75	136
50.000	51.423	0.61	84	102.225	102.975	0.75	137
51.423	52.886	0.62	85	102.975	103.725	0.75	138
52.886	53.506	0.62	86	103.725	104.475	0.75	139
53.506	54.999	0.63	87	104.475	105.225	0.75	140
54.999	55.629	0.63	88	105.225	107.388	0.76	141
55.629	56.259	0.63	89	107.388	108.148	0.76	142
56.259	57.792	0.64	90	108.148	108.908	0.76	143
57.792	58.432	0.64	91	108.908	109.668	0.76	144
58.432	59.072	0.64	92	109.668	110.428	0.76	145
59.072	60.645	<b>0.65</b>	93	110.428	111.188	0.76	146
60.645	61.295	0.65	94	111.188	111.948	0.76	147
61.295	61.945	0.65	95	111.948	112.708	0.76	148
61.945	63.558	0.66	96	112.708	113.468	0.76	149
63.558	64.218	0.66	97	113.468	114.228	0.76	150
64.218	65.861	0.67	98	114.228	116.501	0.77	151
65.861	66.531	0.67	99	116.501	117.271	0.77	152
66.531	67.201	0.67	100	117.271	118.041	0.77	153
67.201	68.884	0.68	101	118.041	118.811	0.77	154
68.884	69.564	0.68	102	118.811	119.581	0.77	155
69.564	70.244	0.68	103	119.581	120.351	0.77	156
70.244	71.967	0.69	104	120.351	121.121	0.77	157
71.967	72.657	0.69	105	121.121	121.891	0.77	158
72.657	73.347	0.69	106	121.891	122.661	0.77	159
73.347	75.110	<b>0.70</b>	107	122.661	123.431	0.77	160
75.110	75.810	0.70	108	123.431	124.201	0.77	161
75.810	76.510	0.70	109	124.201	124.971	0.77	162
76.510	78.313	0.71	110	124.971	127.374	0.78	163
78.313	79.023	0.71	111	127.374	128.154	0.78	164
79.023	79.733	0.71	112	128.154	128.934	0.78	165
79.733	80.443	0.71	113	128.934	129.714	0.78	166
80.443	82.296	0.72	114	129.714	130.494	0.78	167
82.296	83.016	0.72	115	130.494	131.274	0.78	168
83.016	83.736	0.72	116	131.274	132.054	0.78	169
83.736	84.456	0.72	117	132.054	132.834	0.78	170
84.456	85.176	0.72	118	132.834	133.614	0.78	171
85.176	87.089	0.73	119	133.614	134.394	0.78	172
87.089	87.819	0.73	120	134.394	135.174	0.78	173
87.819	88.549	0.73	121	135.174	135.954	0.78	174
88.549	89.279	0.73	122	135.954	136.734	0.78	175
89.279	90.009	0.73	123	136.734	137.514	0.78	176
90.009	90.739	0.73	124	137.514	140.067	0.79	177
90.739	91.469	0.73	125	140.067	140.857	0.79	178
91.469	93.462	0.74	126	140.857	141.647	0.79	179
93.462	94.202	0.74	127	141.647	142.437	0.79	180
94.202	94.942	0.74	128	142.437	143.227	0.79	181
94.942	95.682	0.74	129	143.227	144.017	0.79	182
95.682	96.422	0.74	130	144.017	144.807	0.79	183
96.422	97.162	0.74	131	144.807	145.597	0.79	184
97.162	97.902	0.74	132	145.597	146.387	0.79	185
97.902	99.975	<b>0.75</b>	133	146.387	147.177	0.79	186
99.975	100.725	0.75	134	147.177	147.967	0.79	187
100.725	101.475	0.75	135	147.967	148.757	0.79	188

<b>ADC &gt;=</b>	<b>ADC &lt;</b>	<b>Occup</b>	<b>Beds</b>
148.757	149.547	0.79	189
149.547	152.240	<b>0.80</b>	190
152.240	153.040	0.80	191
153.040	153.840	0.80	192
153.840	154.640	0.80	193
154.640	155.440	0.80	194
155.440	156.240	0.80	195
156.240	157.040	0.80	196
157.040	157.840	0.80	197
157.840	160.623	0.81	198
160.623	161.433	0.81	199
161.433	162.243	0.81	200
162.243	163.053	0.81	201
163.053	163.863	0.81	202
163.863	164.673	0.81	203
164.673	165.483	0.81	204
165.483	166.293	0.81	205
166.293	169.166	0.82	206
169.166	169.986	0.82	207
169.986	170.806	0.82	208
170.806	171.626	0.82	209
171.626	172.446	0.82	210
172.446	173.266	0.82	211
173.266	174.086	0.82	212
174.086	174.906	0.82	213
174.906	175.726	0.82	214
175.726	178.699	0.83	215
178.699	179.529	0.83	216
179.529	180.359	0.83	217
180.359	181.189	0.83	218
181.189	182.019	0.83	219
182.019	182.849	0.83	220
182.849	183.679	0.83	221
183.679	184.509	0.83	222
184.509	185.339	0.83	223
185.339	186.169	0.83	224
186.169	189.252	0.84	225
189.252	190.092	0.84	226
190.092	190.932	0.84	227
190.932	191.772	0.84	228
191.772	192.612	0.84	229
192.612	193.452	0.84	230
193.452	194.292	0.84	231
194.292	195.132	0.84	232
195.132	195.972	0.84	233
195.972	196.812	0.84	234
196.812	197.652	0.84	235
197.652	198.492	0.84	236
198.492	199.332	0.84	237
199.332	200.172	0.84	238
200.172		<b>0.85</b>	

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MICHIGAN DEPARTMENT OF PUBLIC HEALTH  
OFFICE OF HEALTH AND MEDICAL AFFAIRS

**CERTIFICATE OF NEED CON REVIEW STANDARDS FOR HOSPITAL BEDS**  
**-- ADDENDUM FOR PROJECTS FOR HIV INFECTED INDIVIDUALS --**

(By authority conferred on the [Certificate of Need CON](#) Commission by sections 22215 and 22217 of Act No. 368 of the Public Acts of 1978, as amended, and sections 7 and 8 of Act No. 306 of the Public Acts of 1969, as amended, being sections 333.22215, 333.22217, 24.207, and 24.208 of the Michigan Compiled Laws.)

**Section 1. Applicability; definitions**

Sec. 1. (1) This addendum supplements the [Certificate of Need CON](#) Review Standards for Hospital Beds and may be used for determining the need for projects established to meet the needs of HIV infected individuals.

(2) Except as provided by sections 2 and 3 below, these standards supplement and do not supercede the requirements and terms of approval required by the [Certificate of Need CON](#) Review Standards for Hospital Beds.

(3) The definitions that apply to the [Certificate of Need CON](#) Review Standards for Hospital Beds apply to these standards.

(4) "HIV infected" means that term as defined in Section 5101 of the Code.

(5) Planning area for projects for HIV infected individuals means the State of Michigan.

**Section 2. Requirements for approval; change in bed capacity**

Sec. 2. (1) A project which, if approved, will increase the number of licensed hospital beds in an overbedded subarea or will result in the total number of existing hospital beds in a subarea exceeding the needed hospital bed supply as determined under the [Certificate of Need CON](#) Review Standards for Hospital Beds may, nevertheless, be approved pursuant to subsection (3) of this addendum.

(2) Hospital beds approved as a result of this addendum shall be included in the Department inventory of existing beds in the subarea in which the hospital beds will be located. Increases in hospital beds approved under this addendum shall cause subareas currently showing a current surplus of beds to have that surplus increased.

(3) In order to be approved under this addendum, an applicant shall demonstrate all of the following:

(a) The Director of the Department has determined that action is necessary and appropriate to meet the needs of HIV infected individuals for quality, accessible and efficient health care.

(b) The hospital will provide services only to HIV infected individuals.

(c) The applicant has obtained an obligation, enforceable by the Department, from existing licensed hospital(s) in any subarea of this state to voluntarily delicense a number of hospital beds equal to the number proposed in the application. The effective date of the delicensure action will be the date the beds approved pursuant to this addendum are licensed. The beds delicensed shall not be beds already subject to delicensure under a bed reduction plan.

(d) The application does not result in more than 20 beds approved under this addendum in the State.

(4) In making determinations under Section 22225(2)(a) of the Code, for projects under this addendum, the Department shall consider the total cost and quality outcomes for overall community health systems for services in a dedicated portion of an existing facility compared to a separate aids facility and

has determined that there exists a special need, and the justification of any cost increases in terms of important quality/access improvements or the likelihood of future cost reductions, or both.

**Section 3. Project delivery requirements--additional terms of approval for projects involving HIV infected individuals approved under this addendum.**

Sec. 3. (1) An applicant shall agree that, if approved, the services provided by the beds for HIV infected individuals shall be delivered in compliance with the following terms of ~~certificate of need~~ CON approval:

(a) The license to operate the hospital will be limited to serving the needs of patients with the clinical spectrum of HIV infection and any other limitations established by the Department to meet the purposes of this addendum.

(b) The hospital shall be subject to the general license requirements of Part 215 of the Code except as waived by the Department of Consumer & Industry Services to meet the purposes of this addendum.

(c) The applicant agrees that the Department of Consumer & Industry Services shall revoke the license of the hospital if the hospital provides services to inpatients other than HIV infected individuals.

**Section 4. Comparative reviews**

Sec. 4. (1) Projects proposed under Section 3 shall be subject to comparative review.